

DOCUMENTS

relating to the proceedings

of the

ROYAL COMMISSION

established by Order in Council

P.C. 411 of February 5th, 1946

MARCH 13th, 1946



OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1946

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1. PRIME MINISTER'S STATEMENT OF FEBRUARY 15, 1946

The Prime Minister, Mr. Mackenzie King, made the following statement this afternoon:

Information of undoubted authenticity has reached the Canadian Government which establishes that there have been disclosures of secret and confidential information to unauthorized persons, including some members of the staff of a foreign mission in Ottawa. In order to make possible the full investigation which the seriousness of this information demands, the Government has appointed Mr. Justice Taschereau and Mr. Justice Kellock of the Supreme Court of Canada to act as Royal Commissioners to hear evidence and to present a report which will be made public. The Commissioners have appointed as their Counsel Mr. E. K. Williams, K.C., of Winnipeg, Mr. Gerald Fauteux, K.C., of Montreal, and Mr. D. W. Mundell of the Department of Justice; the Commission has already commenced its investigation, which is proceeding in camera.

Upon the application of Counsel, and having regard to the serious nature of the evidence already adduced before the Commission, the Commissioners recommended Counsel to apply to the Minister of Justice for orders for the interrogation and detention for that purpose of a number of persons known or suspected to be implicated. This action has been taken to-day. The persons involved include some now employed or who have been employed in a number of Departments and agencies of the Government.

It is the intention of the Government that, after the report of the Royal Commissioners has been received, prosecution will be instituted in cases in which the evidence warrants it. It would not be proper at this stage to make a more complete statement or, in particular, to make public the names of those concerned. Some of them appear to have been far more deeply and consciously involved than others. Some will probably be found to be more or less innocent instruments in furthering activities much more serious than they may have imagined. Obviously, the whole matter should be treated with caution and reserve, pending the time when it will be possible to issue a fuller statement. Until the investigation by the Royal Commissioners has been completed the case remains sub judice.

2. TEXT OF ORDER IN COUNCIL, P.C. 411 OF FEBRUARY 5, 1946, ESTABLISHING THE ROYAL COMMISSION

P.C. 411

Certified to be a true copy of a Minute of a Meeting of the Committee of the Privy Council, approved by His Excellency the Governor General on the 5th February, 1946.

The Committee of the Privy Council have had before them a report dated 5th February, 1946, from the Right Honourable W. L. Mackenzie King, the Prime Minister, representing:—

That it has been ascertained that secret and confidential information has been communicated directly or indirectly by public officials and other persons in positions of trust to the agents of a Foreign Power to the prejudice of the safety and interests of Canada;

That by Order in Council P.C. 6444 dated the 6th day of October, 1945, the Acting Prime Minister and the Minister of Justice were authorized to make an Order that any such person be interrogated and/or detained in such place and under such conditions as the Minister might from time to time determine if the Minister were satisfied that it was necessary so to do;

That it now seems expedient in the public interest that a full and complete inquiry be made into all the facts relating to and the circumstances surrounding the communication by such public officials and other persons in positions of trust of such secret and confidential information to the agents of a Foreign Power.

The Committee, therefore, on the recommendation of the Prime Minister, advise that the Honourable Robert Taschereau, a Judge of the Supreme Court of Canada, and the Honourable R. L. Kellock, a Judge of the Supreme Court of Canada, be appointed Commissioners under Part I of the Inquiries Act, Chapter 99, Revised Statutes of Canada, 1927, and any other law thereto enabling, to inquire into and report upon which public officials and other persons in positions of trust or otherwise have communicated, directly or indirectly, secret and confidential information, the disclosure of which might be inimical to the safety and interests of Canada, to the agents of a Foreign Power and the facts relating to and the circumstances surrounding such communication.

The Committee further advise,—

1. That for all such purposes and all purposes properly incidental thereto the said Commissioners shall without limiting the powers conferred upon them by the said Part I of the said the Inquiries Act, have and possess the power of summoning and that they be empowered to summon before them any person or witness and of requiring them to give evidence on oath or affirmation, orally or in writing, and of requiring them to produce such documents and things as the Commissioners deem requisite to the full investigation of matters into which they are appointed to examine;

2. That the said Commissioners be directed that a record shall be made of all the evidence which shall be given or produced before them as to the matters of the said inquiry and that the oral evidence of witnesses before the said Commissioners shall be taken in shorthand by a shorthand writer, approved and sworn by the said Commissioners or one of them and shall be taken down question and answer and it shall not be necessary for the evidence or deposition of any witness to be read over to or signed by the person examined and said evidence shall be certified by the person or persons taking the same as correct;

3. That the said Commissioners may adopt such procedure and method as they may deem expedient for the conduct of such inquiry and may alter or change the same from time to time;

4. That the said Commissioners be empowered in their discretion from time to time to make interim reports to the Governor in Council on any matter which in their judgment is the proper subject of such a report together with the evidence then before them and their findings thereon;

5. That the said Commissioners be authorized to engage the services of such counsel and of such technical officers, and experts, and other experienced clerks, reporters and assistants as they may deem necessary and advisable; and

6. That all the privileges, immunities and powers given by Order in Council, P.C. 1639, passed on the 2nd March, 1942, shall apply.

(Sgd.) A. D. P. HEENEY,

Clerk of the Privy Council.

3. LETTER OF COMMISSION COUNSEL TO THE MINISTER OF JUSTICE, FEBRUARY 23, 1946

OTTAWA, 23rd February, 1946.

The Right Honourable L. S. ST. LAURENT, K.C.,
Minister of Justice,
Ottawa.

DEAR SIR,—1. Since the Commissioners on our advice recommended that you should be requested to issue orders for the interrogation, and for that purpose detention, of certain persons a considerable amount of additional evidence oral and documentary has been placed before the Commissioners which confirms the serious nature of the disclosures on which the orders for interrogation were based.

2. Orders have been made to date under Order in Council P.C. 6444, dated the 6th day of October, 1945, and passed under the provisions of the War Measures Act and continued under the provisions of the National Emergency Transitional Powers Act, 1945, for the interrogation of eleven men and two women and it is apparent that it may be necessary to request that additional persons may be interrogated under similar orders.

3. A great deal of evidence is still to be placed before the Commissioners and the reasons for proceeding in camera become more apparent every day.

4. The Inquiry is proceeding as rapidly as possible especially considering the difficult circumstances under which the work is being done (it obviously must be done with the greatest discretion) and the Commissioners desire to make a report which will contain at least some of their findings within as short a time as possible which, however, as appears at present cannot be less than two or three weeks from now.

5. The Commissioners feel, however, and have authorized us to advise you that in their opinion the evidence has not advanced to the stage where an Interim Report should now be made. They do think, however, that it should be possible to report upon the completion of the evidence now in contemplation as above as soon thereafter as that is physically possible leaving such further matters as may later have to be dealt with for subsequent report. This is as the matters appear to the Commissioners at the moment. It may be that as the result of the evidence not yet heard the above proposed procedure might prove to be inappropriate.

6. The Commissioners have authorized us to state further that notwithstanding their order that their proceedings be conducted in camera, the information communicated to you in this letter may be made public at once if you see fit to do so.

E. K. WILLIAMS,

GERALD FAUTEUX,

D. W. MUNDELL,

Counsel to the Royal Commission.

4. TEXT OF ORDER IN COUNCIL P.C. 6444 OF OCTOBER 6, 1945

P.C. 6444

PRIVY COUNCIL

CANADA

AT THE GOVERNMENT HOUSE AT OTTAWA

SATURDAY, the 6th day of OCTOBER, 1945.

PRESENT

HIS EXCELLENCY

THE GOVERNOR GENERAL IN COUNCIL:

WHEREAS it has been ascertained that agents of a Foreign Power have been engaged in a concerted effort to obtain from public officials and other persons in positions of trust secret and confidential information the disclosure of which might be inimical to the safety and interests of Canada and friendly Powers and that secret and confidential information has been communicated, directly or indirectly, by certain persons to the agents of the aforesaid Foreign Power to the prejudice of the public safety or interests of Canada and of friendly Powers;

AND WHEREAS it is deemed necessary for the security, defence, peace, order and welfare of Canada that the Acting Prime Minister or the Minister of Justice should be authorized to order the detention of such persons in such places and under such conditions as the Acting Prime Minister or the Minister of Justice may from time to time determine;

THEREFORE His Excellency the Governor General in Council, on the recommendation of the Honourable J. L. Ilsley, Acting Prime Minister, and pursuant to the powers conferred by The War Measures Act, being Chapter 206 of the Revised Statutes of Canada, 1927, is pleased to order and doth hereby order as follows:

1. The Acting Prime Minister or the Minister of Justice, if satisfied that with a view to preventing any particular person from communicating secret and confidential information to an agent of a Foreign Power or otherwise acting in any manner prejudicial to the public safety or the safety of the state it is necessary so to do, may make an Order that any such person be interrogated and/or detained in such place and under such conditions as he may from time to time determine.
2. Any person shall, while detained by virtue of an order made under this Order, be deemed to be in legal custody.
3. The Minister of Justice if satisfied that the detention of any person so detained is no longer necessary for the public safety or the safety of the State may make an order releasing him.

4. The Acting Prime Minister or the Minister of Justice may authorize any member of the Royal Canadian Mounted Police to enter any premises occupied or used by a person whose detention is ordered at any time or times and to search the premises and every person found thereon and to seize any article found on the premises or any such person which the said member of the Royal Canadian Mounted Police has reasonable grounds for believing to be evidence that secret and confidential information has been communicated to agents of a Foreign Power.

(Sgd.) A. M. HILL,
Asst. Clerk of the Privy Council.

5. FIRST INTERIM REPORT OF THE ROYAL COMMISSION
TO THE GOVERNOR GENERAL IN COUNCIL,
MARCH 2, 1946

OTTAWA, Ontario,

2nd March, 1946.

YOUR EXCELLENCY:—

Pursuant to Order in Council P.C. 411, dated the 5th day of February, 1946, we have been conducting the investigation thereby provided for, having commenced our sittings on Wednesday, the 13th day of February, 1946. We have now reached a stage in the hearing of evidence which permits us and renders it advisable for us to make an Interim Report.

The evidence establishes that a network of under-cover agents has been organized and developed for the purpose of obtaining secret and confidential information particularly from employees of departments and agencies of the Dominion Government and from an employee of the office of the High Commissioner for the United Kingdom in Canada. The evidence reveals that these operations were carried on by certain members of the staff of the Soviet Embassy at Ottawa under direct instructions from Moscow. The person directly in charge of these operations was Colonel Zabotin, Military Attaché of the Embassy, who had as his active assistants in this work Lieutenant-Colonel Motinov, Chief Assistant Military Attaché, Lieutenant-Colonel Rogov, Assistant Military Attaché Air, Major Sokolov, of the staff of the Commercial Counsellor of the Embassy, Lieutenant Angelov, one of the Secretaries of the Military Attaché as well as other members of the staff of the Military Attaché, all of whom, as well as the agents whom they employed in the pursuance of their activities, were, in the interests of secrecy, known by under-cover names. We have noticed that each of the dossiers compiled by the staff of the Military Attaché with respect to the Canadian agents contains this significant question: "Length of time in net." We think that the word "net" well describes the organization set up and under development by Colonel Zabotin and his predecessor.

We have had before us a former employee of the Russian Embassy at Ottawa, Igor Gouzenko, the cipher clerk of the Military Attaché, who has described this organization and its functioning, and who has produced original documents, the authenticity of which we accept.

As shown by these documents, the specified tasks committed to Colonel Zabotin were the following:—

(1) As described in telegrams from "The Director" at Moscow addressed to Colonel Zabotin under his cover name of "Grant", in August, 1945.

(a) The technological processes and methods employed by Canadians and the English for the production of explosives and chemical materials.

(b) Instructions as to which of the Members of the Staff of the Military Attaché should contact particular Canadian agents and the suggestion of names of persons in the Department of National Defence for Naval Affairs who might act as agents.

- (c) Information as to the transfer of the American troops from Europe to the United States and the Pacific also the Army Headquarters of the 9th Army, the 3rd, 5th 7th, 13th Army Corps, the 18th Armoured Division, the 2nd, 4th, 8th, 28th, 30th, 44th, 45th, 104th Infantry Divisions and the 13th Tank Division, together with the dates of their moves, the location of the Army Headquarters of the 8th and 16th Armoured Corps, the 29th and 89th Infantry Divisions, the 10th Tank Division and the location of the Brazilian Infantry Division. Whether or not there had been organized a staff for the American Troops in Germany and, if so, its location and the name of the Officer-in-Command.

The location of the 1st Parachute Troops and the plans for their future use.

- (d) Instructions to take measures to obtain particulars as to the materials of which the atomic bomb is composed, its technological process and drawings.
- (2) As described in writings under the hands of Zabotin, Motinov and Rogov, during the period March to August, 1945.
 - (a) To obtain from the National Research Council models of developed radar sets, photographs, technical data, periodic reports characterizing the radar work carried on by the Council and future developments planned by the Council.
 - (b) Particulars of the explosives establishment at Valcartier and its work, including the obtaining of formulas of explosives and samples.
 - (c) A full report on the organization and personnel of the National Research Council "Give more details of organization of Research Council. Manipulate so as to get to their leaders and find out what they do."
 - (d) Particular work of specified employees of the Research Council.
 - (e) The obtaining of documents from the library of the National Research Council so that they might be photographed, with the expressed intention of ultimately obtaining the whole of the library of the National Research Council.
 - (f) Particulars as to the plant at Chalk River, Ontario, and the processing of uranium.
 - (g) The obtaining of a sample of uranium 235, with details as to the plant where it is produced.
 - (h) Specifications of the electro-projector of the "V" bomb.
 - (i) Research work being carried on with relation to explosive materials and artillery.
 - (j) The obtaining of material on the American aeroplane radar locator type, navigation periscope.
 - (k) A list of the Army Divisions of the Canadian Army which have returned from overseas and the names, or numbers, of the Divisions which have been divided, or re-shaped, or undergoing re-shaping.
 - (l) The number of troops in the Canadian Army in the post-war period, together with the system of its organization.
 - (m) Information from the Department of Munitions and Supply of various kinds relating to guns, shells, small arms, ammunition for small arms, arsenals, optical and radio appliances, automobiles and tanks, apparatus for chemical warfare and particulars of plants producing same.
 - (n) Information as to electronic shells used by the American Navy.

- (o) To endeavour to keep agents in Government Departments threatened with discharge as a result of shrinkage in size of the Departments, in order to maintain their usefulness for the future.
- (p) Information with regard to depth bombs and double charge shells for cannon.
- (q) Information as to telegrams passing into and out of the Department of External Affairs and the office of the High Commissioner for the United Kingdom.

It must not be assumed that the above list is exhaustive, but it illustrates the nature of the objectives of these operations.

It has been stated to us by Commission Counsel that the method of presentation of the evidence before us is with the object of ultimately establishing the identity of the greatest number of those persons who have acted as agents, but the question of the relative importance of the above subject matters has not been dealt with to an extent where we are yet able to pronounce upon it. To proceed in any other manner might have been prejudicial to the ultimate attainment of the purposes of the investigation.

It has taken considerable time to hear the evidence relating to the general scheme of the operations being carried on, which evidence it was necessary to hear before dealing with the activities of particular agents. The evidence heard so far, however, establishes that four persons, namely,

Mrs. Emma Woikin
 Captain Gordon Lunan
 Edward Wilfred Mazerall
 Miss Kathleen Mary Willsher

all employees of the Dominion Government, except Kathleen Mary Willsher, who is an employee of the Government of the United Kingdom, have communicated directly or indirectly secret and confidential information to representatives of the U.S.S.R. in violation of the provisions of the Official Secrets Act, 1939, 3 Geo. VI, Cap. 49.

Emma Woikin

This person was employed as a cipher clerk in the Department of External Affairs, having taken the usual oath of secrecy required in such cases. Taking advantage of the position she occupied, she communicated to Major Sokolov the contents of secret telegrams to which she had access in the course of her duties.

Captain Gordon Lunan

This man, a Captain in the Canadian Army, on loan to the Wartime Information Board, now the Canadian Information Service, was the head of a group of agents acting under the personal direction of Lieutenant-Colonel Rogov. In the course of his own particular duties with the Information Board, no secret information came to him, but he was the intermediary through whom the information furnished by the group reached Rogov, which information was, in our opinion, furnished and transmitted in violation of the statutory provisions already referred to. The members of the group headed by Lunan were scientists employed by the National Research Council and the Department of National Defence, Research Division, and their concern under Lunan, was to obtain for Rogov information on technical matters in connection with the work of those agencies. Some of the information obtained and transmitted to Rogov related to the latest developments in radar. Through this group also secret documents in the library of the National Research Council were handed over.

Edward Wilfred Mazerall.

He is an electrical engineer in the National Research Council working in the field of radar, who also had taken an oath of secrecy. He was one of the group headed by Lunan and he furnished to the latter on one occasion, for transmission by the latter, two reports of the National Research Council on certain developments, actual and projected, in the field of radar, at a time when the disclosure of these documents was still unauthorized. The fact that these reports were shortly thereafter presented to the Third Commonwealth and Empire Conference on Radio for Civil Aviation should be considered as an extenuating circumstance in Mazerall's favour.

Kathleen Mary Willsher.

She was employed in the office of the High Commissioner for the United Kingdom as Deputy Registrar, having subscribed to a document in which she acknowledged having read the Official Secrets Act of the United Kingdom. She had access to practically all secret documents in that office and made disclosure of the contents of some secret documents from that office.

In our final report we shall deal more fully with the evidence and our findings with regard to the above named persons. Each of these persons has given evidence before us and has admitted the substance of the above. To each, in accordance with the provisions of Sections 12 and 13 of The Inquiries Act, R.S.C., cap. 99, an opportunity was given to have counsel, but none desired to be represented by counsel or to adduce any evidence in addition to his or her own testimony.

We propose from time to time, as circumstances permit, to make further interim reports before reporting finally. We are reporting now with regard to the above named persons as we have concluded our investigation as to their part in the activities mentioned, and we have been assured by Commission Counsel that they have no further evidence to offer which can affect the opinion we have formed on the evidence regarding these persons.

As already pointed out, we have been able to review the complete activities of four only of the agents used by the officers of the Soviet Embassy. The evidence indicates that, in addition, many other agents were active and that information more intrinsically important has been disclosed. We are not, however, as yet in a position to report with regard thereto, as the evidence has not been fully developed.

Respectfully submitted,

(Sgd) ROBERT TASCHEREAU,
Royal Commissioner.

(Sgd) R. L. KELLOCK,
Royal Commissioner.

His Excellency
The Governor General in Council,
Parliament Buildings,
OTTAWA.

